

## Legal Update

### 📌 Revising of Foreign Business Act 2012

Deputy Minister of Commerce Siriwat Kajornprasart informed in last week about reforming of Foreign Business Act ("FBA"). Government has planned to change and revise the lists of business in annex III of FBA 1998. The details of changing and revising can be presented as follow;

It can be seen that business under annex III can be divided in 3 groups. First group consists of retailers and wholesalers. Both businesses need to give permission in all types of retail and wholesale business. In the previous, the law enforced aliens to give permission only retailers who have capital value less than 100 million Baht or have capital value less than 20 million Baht, and wholesalers who have capital value less than 100 million Baht. Therefore, the permission in all respects will help Thai retailers and wholesalers can compete with foreign investor more than before.

Next, second group consists of The Agricultural Futures Exchange of Thailand ("AFET") and securities trading business should be deleted from annex III because both businesses have been controlled by other sectors; For example, AFET is controlled AFET's committee or securities business will be controlled by Securities and Exchange Commission ("SEC"). Hence, it seems that it might lead a complication and unnecessary for FBA's committee to control those businesses in real practice.

Lastly, the third group consists of tourism, warehouse, life insurance, loss insurance and bank still be retained in annex III because Thai businessmen are not ready to compete with foreigner in those activities in the long run.

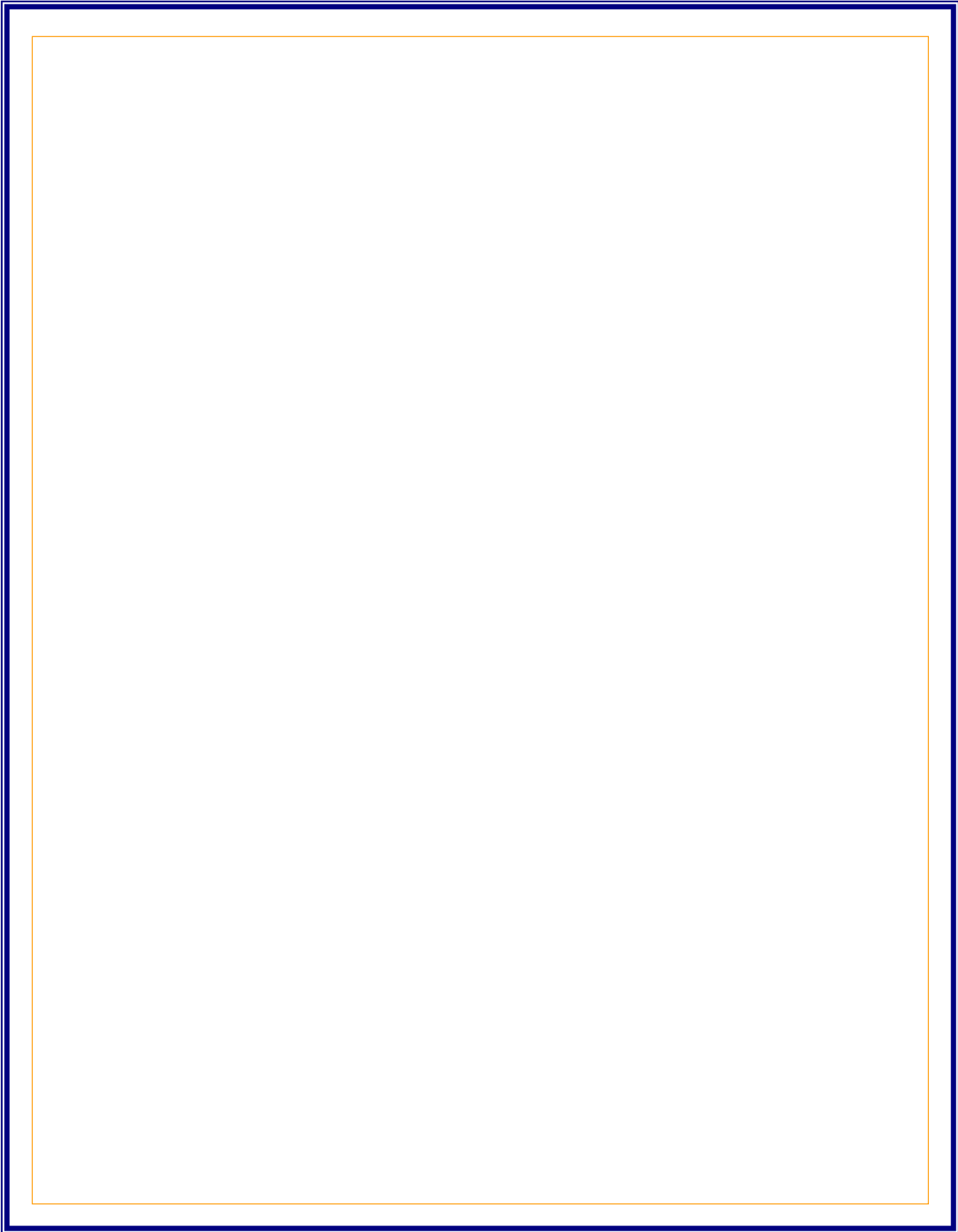
At the end of the day, if the new FBA is accepted by FBA's committee, then, it will be passed to Minister of Commerce and the Cabinet to consider it respectively before official declaration.

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